PUBLIC CHAPTER NO. 1006

HOUSE BILL NO. 4148

By Representatives Odom, Winningham

Substituted for: Senate Bill No. 4185

By Senators Kyle, Haynes

AN ACT to amend Tennessee Code Annotated, Title 49 and Chapter 1, relative to school accountability.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section 49-1-602, is amended by deleting subsections (a) through (f) in their entireties and by substituting instead the following language, and by redesignating subsequent subsections accordingly:

- (a) By September 1 of each year, the commissioner of education shall recommend for approval to the state board a listing of all schools and LEAs to be placed in improvement status for failure to make adequate progress in meeting the rules, regulations, and performance standards of the state board. If an LEA is deemed by the commissioner as not carrying out its responsibilities to a school or schools in improvement status for technical or other assistance that may ensure that a school meet or exceed the performance standards, or the standards set forth in section 49-1-210, the LEA may be included in the recommendation to the state board to be placed in improvement status. Schools and LEAs in improvement status shall abide by guidelines established by the commissioner for the purpose of improving student performance.
- (b) Such status shall not impair the credits earned by students in that LEA or school.
- (c) During the first year a school is placed in improvement status (School Improvement 1):
 - (1) The commissioner of education shall:
 - (A) Publicly identify all schools that are placed in improvement status; and
 - (B) Study all schools placed in improvement status.

- (d) If a school does not meet the performance standards of the state board by the end of the first year of improvement status, the school may be placed in the second year of improvement status (School Improvement 2). During the second year of improvement status:
 - (1) The commissioner of education shall have the authority to: Approve the allocation of state discretionary grants to the school; and/or Provide technical assistance to the school through an outside expert.
 - (2) The director of each LEA serving schools in the second year of improvement status shall have responsibility for the following actions:
 - (A) Prompt notification of parents of students of such identification; and
 - (B) Revision of school improvement plans.
- (e) If a school does not meet the performance standards of the state board by the end of the second year of improvement status, the school may be placed in the third year of improvement status (Corrective Action). During the third year of improvement status:
 - (1) The commissioner of education shall:
 - (A) Have the authority to approve the LEA's allocation of financial resources to a school in corrective action:
 - (B) Have the authority to appoint a local community review committee to approve and monitor the school improvement plan; and
 - (C) Implement at least one (1) or more of the following corrective actions:
 - (i) Replace or reassign staff;
 - (ii) Mandate a new, research-based curriculum;
 - (iii) Significantly decrease management authority at the school;
 - (iv) Appoint instructional consultants; and
 - (v) Reorganize the internal management structure.

- (2) The director of each LEA serving schools in the third year of improvement status shall have responsibility for the following actions:
 - (A) Prompt notification to parents of students of such identification;
 - (B) Implementation of performance contracts for the principal;
 - (C) Provision for remediation services for students;
 - (D) Notification to parents of students belonging to the student subgroup or subgroups not meeting the standards for adequate yearly progress of their option to transfer their children to another public school within the system; and
 - (E) Revision of school improvement plans to incorporate study findings.
- (f) If a school does not meet the performance standards of the state board by the end of the third year in improvement status, the school may be placed in the fourth year of improvement status (Restructuring 1). During the fourth year of improvement status:
 - (1) The commissioner of education shall have the authority to:
 - (A) Approve an LEA's allocation of financial resources to the school;
 - (B) Approve an LEA's allocation of personnel resources to the school; and
 - (C) Present options for the school to plan for alternative governance which may include:
 - (i) Contracting with an institution of higher education for operation of the school;
 - (ii) Removing the school from the jurisdiction of the LEA and placing the school under the jurisdiction of the department of education;
 - (iii) Restructuring the school as a public charter school should the general assembly enact separate legislation outside the parameters of this section that authorizes the establishment of public charter schools; or

- (iv) Replacing all or most of the school's staff, including the principal, who are relevant to the school's failure to meet adequate yearly progress.
- (2) The director of each LEA serving schools in the fourth year of improvement status shall have responsibility for the following actions:
 - (A) Prompt notification to parents of students of such identification;
 - (B) Implementation of performance contracts for the principal;
 - (C) Provision for remediation services for students;
 - (D) Notification to parents of students belonging to the student subgroup or subgroups not meeting the standards for adequate yearly progress of their option to transfer their children to another public school within the system; and
 - (E) Preparation of a plan for alternative governance from the options provided by the commissioner of education.
- (g) If the school does not meet the performance standards of the state board by the end of the fourth year of improvement status, the school may be placed in the fifth year of improvement status (Restructuring 2 Alternative Governance). During the fifth year of improvement status:
 - (1) The commissioner of education shall have the authority to:
 - (A) Approve an LEA's allocation of financial resources to schools; and
 - (B) Approve an LEA's allocation of personnel resources to the schools.
 - (2) The director of each LEA serving schools in the fifth year of improvement status shall have responsibility for the following actions:
 - (A) Prompt notification to parents of students of such identification;
 - (B) Implementation of performance contracts for the principal;

- (C) Provision for remediation services for students:
- (D) Notification to parents of students belonging to the student subgroup or subgroups not meeting the standards for adequate yearly progress of their option to transfer their children to another public school within the system; and
- (E) Implementation of the plan for alternative governance from the options provided by the commissioner of education, provided, however, that in the case where the plan for alternative governance is implemented the LEA will continue to be accountable for the match required by the BEP funding formula for students served.
- (h) During the first year an LEA is placed in improvement status (LEA Improvement 1), the commissioner of education shall:
 - (1) Publicly identify all LEAs placed in improvement status; and
 - (2) Study all LEAs placed in improvement status.
- (i) If the LEA does not meet the performance standards of the state board by the end of the first year in improvement status, the LEA may be placed in the second year of improvement status (LEA Improvement 2). During the second year of improvement status:
 - (1) The commissioner of education shall have the authority to:
 - (A) Approve the allocation of state discretionary grants to schools within the LEA; and
 - (B) Provide technical assistance to the LEA through an outside expert.
 - (2) The director of each LEA in the second year of improvement status shall have responsibility for the following actions:
 - (A) Prompt notification to parents of students of such identification; and
 - (B) Revision of the LEA improvement plan.
- (j) If the LEA does not meet the performance standards of the state board by the end of the second year in improvement status, it may be placed in the third year of improvement status (LEA Corrective Action). During the third year of improvement status:

- (1) The commissioner of education shall have the authority to take the following actions:
 - (A) Approve an LEA's allocation of financial resources to schools within the LEA; and
 - (B) Appoint a local community review committee to approve and monitor the LEA improvement plan.
- (2) The commissioner of education shall implement one (1) or more of the following corrective actions:
 - (A) Replace the LEA personnel who are relevant to the failure to make adequate yearly progress;
 - (B) Mandate a new, research-based curriculum;
 - (C) Appoint outside management or instructional consultants; or
 - (D) Reorganize the internal management structure.
- (3) The director of the LEA in the third year of improvement status shall have the responsibility for the following actions:
 - (A) Prompt notification to parents of students of such identification;
 - (B) Provision for remediation services for students; and
 - (C) Revision of the LEA improvement plan to incorporate study findings.
- (k) If the LEA does not meet the performance standards of the state board by the end of the third year of improvement status, it may be placed in the fourth year of improvement status (LEA Restructuring 1). During the fourth year of improvement status:
 - (1) The commissioner of education shall have the authority to take the following actions:
 - (A) Approve an LEA's allocation of financial resources to schools within the LEA; and
 - (B) Approve an LEA's allocation of personnel resources to schools within the LEA.

- (2) The commissioner of education shall continue to implement one (1) or more of the following corrective actions:
 - (A) Replace the LEA personnel who are relevant to the failure to make adequate yearly progress;
 - (B) Mandate a new, research-based curriculum;
 - (C) Appoint outside management or instructional consultants; or
 - (D) Reorganize the internal management structure.
- (3) The director of each LEA serving schools in the fourth year of improvement status shall have responsibility for the following actions:
 - (A) Prompt notification to parents of students of such identification;
 - (B) Provision for remediation services for students; and
 - (C) Revision of the LEA improvement plan.
- (I) If the LEA does not meet the performance standards of the state board by the end of the fourth year in improvement status, it may be placed in the fifth year of improvement status (LEA Restructuring 2 Alternative Governance). During the fifth year of improvement status:
 - (1) The commissioner of education shall have the authority to:
 - (A) Assume any or all powers of governance for the LEA; provided, however, that in the case where the commissioner assumes governance, the LEA will continue to be accountable for the match required by the BEP funding formula for students served;
 - (B) Recommend to the state board that the director of the LEA be replaced; and
 - (C) Recommend to the state board that some or all of the local board of education members be replaced.
 - (2) If the commissioner decides not to take any of the three (3) actions in subdivision (I)(1), then the commissioner shall report to the state board of education and the education committees of the senate and the house of representatives the reasons that the actions were not taken.

(3) If the state board concurs with the recommendation, the commissioner shall order the removal of some or all of the board members and/or director of schools and shall declare a vacancy in the office or offices. Vacancies on the board shall be filled by the local legislative body until the next general election for which candidates have time, under law, to qualify and the candidate so elected qualifies to hold the office as provided by law or for the remainder of the term if no such election occurs during the remainder of the term. If the entire board of a special school district is removed, the commissioner shall appoint three (3) responsible citizens of the district to serve on the board, and they shall be authorized to appoint persons to fill the remaining vacancies. Any person selected to fill a vacancy shall serve the remainder of the term. Vacancies in the office of director of schools are filled in accordance with the provisions of law. Any director of schools or board member removed under this section is ineligible for appointment or election to such office for the remainder of such person's term and for one (1) full term thereafter.

SECTION 2. This act shall take effect upon becoming law, the public welfare requiring it.

PASSED: May 7, 2008

MMY NAIFEH, SPEAKER HOUSE OF REPRESENTATIVES

> RON RAMSEY, SPEAKER SENATE OF THE SENATE

APPROVED this 21st day of May 2008

PHIL BREDESEN, GOVERNOR